

## THE HEALTHY AMERICANS ACT:

### 8 Easy-to-Understand Steps to Fixing Health Care

1. For the money Americans will spend this year on health care—\$2.3 trillion — you could hire a doctor to care for every seven families. You could pay that doctor more than \$200,000 a year to do nothing but care for those families.
2. How is this possible? Because much of that \$ 2.3 trillion is now spent on medical treatments and services that don't make patients better. The Healthy Americans Act (HAA) helps end those wasteful practices to improve health care and save money for all of us.
3. The HAA starts with the workplace, because now both workers and their employers lose out. Because health costs are increasing so dramatically, workers don't see their take-home pay going up. Most workers don't get a choice of their coverage, and if they want to work elsewhere, they can't get health coverage if they've had a past serious illness. Most employers want to offer their workers good health coverage, but often can't afford to. If they do offer coverage they lose out to their foreign competitors, whose workers get their health care paid by the government.
4. After the HAA is adopted, both workers and employers win with the next paychecks. Workers win because they get more cash in their pocket, more good quality, affordable health care choices, and coverage they can keep forever. Employers win because they no longer pay the huge annual increases in health costs. Employers get tax relief for the extra money they pay their workers to buy their own health care. Employers can write off on their Federal income taxes the costs of "wellness" programs for their workers. Employers are then better positioned to beat their foreign competitors in tough global markets.
5. Here's an example of how things will work under the Healthy Americans Act:

If a worker is now paid \$50,000 in salary by their employer, and the employer spends \$10,000 on their health insurance, the employer is required to pay that worker \$60,000. Tax law is changed, so the worker doesn't pay more Federal income tax on their higher salary. The employer gets the Federal income tax write-off for paying the extra compensation to the worker.

Then the worker gets a choice: If the worker loves their employer's health plan, they simply return the extra compensation to the employer (this is all done electronically) and keep the coverage they've got. But, the worker can also choose to get their coverage from a menu of state-approved, Congressional quality, private health insurance plans. These plans must compete against each other on the basis of price, benefits, and quality. They'll also be set up as larger groups, which helps to hold costs down for workers. So, in our example, if the worker chooses to shop for

Congressional-quality coverage and finds a private plan for \$9,500, the extra \$500 goes into the worker's pocket.

6. The uninsured also get a better deal under the HAA. Many uninsured people work at small businesses that can't afford to offer health insurance. Under the HAA, small employers must contribute a small, but fair, amount into a giant fund. Currently uninsured workers, because personal responsibility is important, contribute a small amount too. Then, instead of the nearly impossible job of finding good health insurance on their own, the uninsured person also becomes part of one of the large groups with numbers great enough that they too can get an affordable, Congressional quality, private health plan. Uninsured Americans have never been able to join forces like this, and now, with their bosses' help and a boost from their government, they too can get a good deal on their health care.
7. Health programs stay the same for seniors and the military. For them, and everyone else, taking simple steps to stay healthy – from diet to exercise – is rewarded. With the Healthy Americans Act, there's a simple message: Slim down your waist and fatten up your wallet.
8. That's the HAA in a nutshell. Everyone can win. That's why it is the first-ever Senate bill to cover all Americans, and attract the support of 16 influential U.S. Senators equally divided between Democrats and Republicans. That's also why two independent analyses, including the Federal Government's budget experts, have said that shortly after enacted, the HAA will slow the growth of health care costs.

The Healthy Americans Act: a plan to fix our health care system that you can understand and that actually works for you.